

Instructions to member

You may be eligible to purchase up to ten years of creditable service for your out-of-state public school service. If you are interested in purchasing this credit, please:

- 1) **Complete** Parts 1 through 3, below.
- 2) **Contact** the payroll or business office of your prior out-of-state public school district, and ask a representative to complete Part 4 and return the form to you.
- 3) **Send** your completed form to either our main or our Springfield office.

If you have any questions, please contact a Member Services representative in our main or Springfield office.

M T R S U S E O N L Y

MS

Member information

1

Social Security number MTRS Member number, if known

Name First MI Last

Former/maiden name Not applicable

Home address
..... City State ZIP Country

Home phone () E-mail

MTRS membership status As of (date of application): Active Inactive

Your out-of-state public school service

2

Name of school
School's address
..... City State ZIP Country

Phone () Fax ()

Website address (URL) E-mail

Period of your service From To

What was your position title at that time (e.g., teacher)?

Have you received, or will you be eligible to receive, a retirement benefit based on this service? Yes No

During your employment, did you pay into a retirement plan (other than Social Security)? Yes No

Did you render five or more years of employment with this out-of-state public school system? Yes* No

*If "yes," then you must **also** submit a statement from an official of that retirement system verifying that you are **not** eligible for any future benefits. Please attach that statement to this service purchase application.

EXCEPTION: If "yes," and you will be closing your account and rolling over your funds from that system to the MTRS to purchase your out-of-state service, then you do not need to submit this statement.

Your statement and signature

3

Please confirm my eligibility to purchase my out-of-state public school service. I understand that if I wish to purchase this service, I will have to pay the total amount due: while I am either an active member of the MTRS or an inactive member on an authorized leave of absence; and, by my date of retirement from the MTRS. I hereby certify under the penalties of perjury that the information I have provided here is true to the best of my knowledge.

Signature

Date

If you anticipate retiring **within the next six months**, please indicate the approximate date:

SEE NEXT PAGE FOR PART 4, WHICH MUST BE COMPLETED!



Name of applicant: _____

Massachusetts Teachers' Retirement System

Service purchase application, page 2 of 2

Social Security number: _____

Out-of-state public school service

4 Service and salary verification (to be completed by payroll officer)

Instructions to the payroll officer of the out-of-state school district: The member of the Massachusetts Teachers' Retirement System named on page 1 of this application form has applied to purchase credit for his or her service rendered in your public school. At this time, the member and the MTRS respectfully request that you please:

- 1) **Verify** that the applicant was employed in your public school during the period as indicated on page 1 of this form.
- 2) **Report** the applicant's employment details as requested below.

If you have any questions, please feel free to contact an MTRS Member Services representative in our main office, at 617-679-MTRS. After you have completed this section, please return the form to the applicant for forwarding to us. Thank you for your assistance!

a) Was the applicant's service rendered on either a substitute **or** a temporary basis?..... ☐ Yes ☐ No

b) Did the position require certification by a Department of Education? ☐ Yes ☐ No

c) Was the applicant eligible to participate in a retirement plan, other than Social Security?..... ☐ Yes ☐ No

If "yes," please identify the retirement plan other than Social Security

d) Please report the applicant's service with your school. Please:

- List each school year separately (for example, 1986–87 on one line, 1987–88 on another).
- For Employment status, indicate percentage of full-time employment (% FT). For example, indicate full-time as "100%," half-time, as "50%." If additional space is needed, please make a photocopy of this sheet.
- List compensation actually paid for the service rendered and report any retirement payments made by the employee and/or by the employer on his or her behalf.

School year	Number of months in school year			Period of employment		Number of days in school year	Number of days worked	Position title	Employment status % FT	Annual contract rate	Actual gross amount paid
	10	11	12	From mm/dd/yyyy	To mm/dd/yyyy						
				/ /	/ /				%	\$	\$
				/ /	/ /				%	\$	\$
				/ /	/ /				%	\$	\$
				/ /	/ /				%	\$	\$
				/ /	/ /				%	\$	\$

I certify that the information I have provided above is true and accurate to the best of my knowledge.

Signature Date

Name (please print)

Title.....

Name of out-of-state school.....

Address.....

Phone Fax

Website address (URL)..... E-mail



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Executive Director
Joan Schloss

**Re: Purchasing creditable service for out-of-state public school teaching service—
Instructions and application form**

Dear Member,

Thank you for expressing your interest in purchasing credit for your prior service. If you were employed as a teacher or administrator in an out-of-state public school or state college in the United States or Puerto Rico, you may be eligible to purchase up to ten years of credit for your service. To determine whether you may be eligible to purchase this type of service, please answer these questions:

- 1) **Were you employed as a teacher or administrator in an out-of-state public school or state college?** ☐ Yes ☐ No
If "yes," please go to Question 2. If "no," your service is not eligible for purchase; service rendered in a private college is not eligible for purchase.
- 2) **Was the school in the United States or Puerto Rico?** ☐ Yes ☐ No
If "yes," please go to Question 3. If "no," your service is not eligible for purchase; service rendered in another country is not eligible for purchase.
- 3) **Have you received, or will you be eligible to receive, either a retirement allowance/pension on account of your accumulated service in your out-of-state public school employment?** ☐ Yes ☐ No
If "no," you may be eligible to purchase credit for your out-of-state school service. If "yes," your service is not eligible for purchase. If you are entitled to receive a retirement allowance or other similar payment from the public school system, the federal government or any other source, you are not eligible to purchase this service with the MTRS.

In summary, if you answered "yes" to Questions 1 and 2, and "no" to Question 3, then you may be eligible to purchase up to ten years of creditable service for your out-of-state public school service. If you wish to apply to purchase this creditable service, it is best if you complete and return your application at least six months before your date of retirement. Service cannot be purchased after the effective date of your retirement.

If you have any questions, please contact a Member Services representative in our main office, at 617-679-MTRS, or our Springfield office, at 413-784-1711. We look forward to helping you through the service purchase process!

Sincerely,

JOAN SCHLOSS, *Executive Director*

Are there any other requirements or restrictions I should know about?

Yes—you may purchase a maximum of ten years of credit for your out-of-state school service (out-of-state service means any service rendered outside of Massachusetts—including nonpublic school service and overseas Department of Defense teaching service) subject to the following restrictions:

- A total of no more than five of the ten years may be for service rendered in Puerto Rico or in an overseas school supervised by the Department of Defense.
- The amount of your out-of-state service purchase cannot exceed the amount of your creditable Massachusetts service at the time of your retirement.
- You cannot purchase more than a total of ten years of creditable service for all of your out-of-state service combined.
- At the time of your retirement, you must have a matching year of Massachusetts public teaching service for each year of out-of-state teaching service and Massachusetts nonpublic teaching service you wish to purchase, and you cannot count the same Massachusetts service toward both types of purchases. For example, if you wish to purchase three years of out-of-state public school service, three years of Department of Defense service, and four years of Massachusetts nonpublic teaching service, you must also have at least ten years of Massachusetts creditable service.
- If you rendered service on a substitute, temporary or part-time basis, the first six months of that service is not eligible for purchase.
- Buying your out-of-state service does not allow you to use your out-of-state salary as part of your salary average for retirement benefit calculation purposes, nor does it allow you to change your contribution rate or membership start date.

How can I determine if it makes financial sense for me to purchase all—or just a portion—of my out-of-state school time?

Depending on how much creditable service you will have at the time of retirement, purchasing your out-of-state school service credit may or may not make financial sense for you. Please be aware that a retirement allowance can be no higher than 80 percent of the average of your three highest consecutive years' salaries, and a service purchase, once made, cannot be refunded. So, before you decide to purchase this service, or decide how much to purchase, please consider whether you expect to be at or near the 80 percent maximum at the time of your retirement *without* this purchase.

I have determined that I am eligible to apply for credit for my out-of-state school service. What do I need to do now?

The process is simple. You need to:

- 1) **Complete** the front of the application form (next page).
- 2) **Contact** the payroll or business office of your prior out-of-state public school district and explain that, for purposes of potentially purchasing your out-of-state service credit,

you need documentation of your service, and that you would like to have a representative complete a portion of your application. Ask this person to complete Part 4 and then return the form to you.

- 3) **Make** a copy of your completed application for your records.
- 4) **Submit** your completed application to either our main or Springfield office (addresses on form).

What happens after I return my completed application?

We will review your application, verify your eligibility, determine how much service you may purchase, calculate your cost and send you an invoice. Along with your invoice, you will receive information regarding how you may pay for your purchase.

How is the cost of my service purchase calculated?

The cost of purchasing your past service is based on what you would have paid in retirement contributions to the MTRS during the period of your employment with the out-of-state school—either at the contribution rate that would have been in effect or at your contribution rate, if you were a member of the MTRS prior to rendering your out-of-state service and you left your funds on account with us—plus buy-back interest to date.

EXAMPLE

If you taught in an out-of-state public school from September 1976 to June 1977, and your salary for that school year was \$24,000, your cost to purchase that year of service would be \$1,680, plus buy-back interest from June 1977 to the date of your purchase.

1976–77 school year salary of \$24,000	\$ 24,000
x Contribution rate of 7%	x 0.07
Annual contributions to MTRS for period	
	\$ 1,680
+ Buy-back interest from June 1977 to date of purchase	+ Interest
Total purchase cost	Total cost

CONTRIBUTION RATE TABLE

If your out-of-state service was rendered...	The contribution rate applied is...
Before January 1, 1975	5%
January 1, 1975 through December 31, 1983*	7%
January 1, 1984 through June 30, 1996*	8%
July 1, 1996 through June 30, 2001*	9%
July 1, 2001 or after	11%

* If your service was rendered January 1, 1979 – June 30, 2001, you must also pay an additional 2% contribution on any salary over \$30,000 (the “30-plus” deduction).